

FISCAL NOTE

Bill #: SB0313

Title: Technology acquisition and depreciation fund

Primary Sponsor: Fred Thomas

Status: Second Reading

Sponsor signature Date

Chuck Swysgood, Budget Director Date

Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached	X		Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. School districts purchase technological equipment, including computers and computer network access, from funds other than proprietary or nonexpendable trust funds (i.e., from governmental funds, including the district general fund, technology acquisition fund and miscellaneous programs fund).
2. SB 313 requires voter approval for the initial property tax levy needed to fund the Technology Acquisition and Depreciation Fund budget. Thereafter, only an increase in the amount of property taxes over the amount levied in the prior year is subject to voter approval.

LONG RANGE IMPACTS

SB 313 may violate the equalization provisions in the Article X, section 1, of the Constitution, since the value of a local mill varies widely from district to district. Also, some districts will be able to obtain voter approval to levy mills in the Technology Acquisition and Depreciation Fund, while others may not. For these reasons, over time SB 313 may result in large spending disparities between districts for technology purchases.

TECHNICAL NOTES:

1. Many districts do not maintain records that accumulate the original cost of assets costing less than \$5,000. This will make it difficult to calculate the 20% and 150% limits under section 2, subsection 3.
2. When funding the budget for the Technology Acquisition and Depreciation Fund, it's not clear whether districts must take non-levy revenues, such as motor vehicle taxes, to lower the number of mills needed to fund the proposed budget up to the 20% limitation in section 2, subsection 3.
3. Districts will not know the amount of State money they can expect to receive under 20-9-534 in time to include that revenue in the calculation of property taxes needed to fund the Technology Acquisition and Depreciation Fund budget.